## Message Text

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12

ACTION COME-00

INFO OCT-01 EA-11 ADP-00 AGR-20 CIAE-00 EB-11 INR-09

LAB-06 NSAE-00 RSC-01 STR-08 TRSE-00 CIEP-02 SAL-01

OMB-01 L-03 RSR-01 /075 W ----- 018901

R 260655 Z MAR 73 FM AMCONSUL HONG KONG TO SECSTATE WASHDC 6412

LIMITED OFFICIAL USE HONG KONG 2904

E. O. 11652: N/ A TAGS: ETRD, HK

SUBJECT: TEXTILE CONTROL LEVELS

REF: STATE 52766

- 1. CONTENTS OF REFTEL CONVEYED TO DC& I ON MARCH 23 WITH SUGGESTION FOR DISCUSSIONS ON MARCH 26.
- 2. ECONOFF MET WITH AMERICAN TRADE OFFICER AND OTHER DC& I OFFICIALS ON MARCH 26. SUBSTANCE OF DC& I REPLY AS FOLLOWS:
- A) DC& I "ASTONISHED" AT REQUEST SINCE IT BELIEVED UNDERSTANDING REACHED AT FEBRUARY TECHNICAL DISCUSSIONS WAS FOR A CONTINUED EXCHANGE OF INFORMATION BEFORE ANY ACTION MIGHT BE TAKEN WITH RESPECT TO DISCREPANCIES BETWEEN HK EXPORT LICENSING STATISTICS AND US IMPORT FIGURES;
  B) DC& I BELIEVES FEBRUARY EXERCISE HAS DEMONSTRATED THAT THERE WAS NO SMUGGLING IN HONG KONG AND THAT CLASSIFICATION DISCREPANCIES WERE SMALL; MAJOR SOURCES OF AUGMENTED US IMPORTS WERE TRANSSHIPMENTS OF GOODS SENT TO THIRD- COUNTRY DESTINATIONS, A PROBLEM THE HKG IS NOT IN A POSITION TO CONTROL;
- C) NOTICE TO EXPORTERS, SERIES 2, NO. 6/73, FEBRUARY 22, THREW OPEN REMAINDER OF 72/73 QUOTA, INCLUDING CARRYOVER, TO APPLICATION. MAJORITY OF THIS QUOTA HAS BEEN DISLIMITED OFFICIAL USE

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TRIBUTED AND IT IS IMPOSSIBLE TO RETRACT QUOTA ALREADY ISSUED:

- D) WITH RESPECT TO SWING, THE HKG IS NOT ACTIVELY PURSUING A POLICY OF PROMOTING SWING FROM ANY GROUP OF ITEMS TO ANOTHER GROUP. THE TRADE ASKS FOR SWING AND DC& I PERMITS IT IF YARDAGE IS AVAILABLE. THE SITUATION, THUS, CHANGES ALMOST DAILY. DC& I WILL FURNISH A RUNDOWN OF THE SWING SITUATION AS OF COB MARCH 24 WHICH WILL SHOW THE NET SWING AS OF THAT DATE.
- 3. DC& I CABLING ABOVE RESPONSE TO JOHN BARROW WHO WILL TAKE IT UP WITH THE DEPARTMENT AND DOC. ECONOFF OFFERED OPINION THAT DC& I REPLY DOES NOT SEEM VERY RESPONSIVE EVEN WHEN HKG'S PROBLEMS WITH THE TRADE TAKEN INTO CONSIDERATION, AND CARRIES THE RISK OF ANOTHER CATEGORY 211 EXERCISE.

  OSBORN

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<sup>\*\*\*</sup> Current Handling Restrictions \*\*\* n/a

<sup>\*\*\*</sup> Current Classification \*\*\* LIMITED OFFICIAL USE

## Message Attributes

Automatic Decaptioning: X Capture Date: 01 JAN 1994 Channel Indicators: n/a

**Current Classification: UNCLASSIFIED** 

Concepts: n/a Control Number: n/a Copy: SINGLE Draft Date: 26 MAR 1973 Decaption Date: 01 JAN 1960 Decaption Note: Disposition Action: RELEASED

Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: boyleja
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Original Classification: LIMITED OFFICIAL USE

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Previous Channel Indicators:
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Previous Handling Restrictions: n/a Reference: 73 STATE 52766 Review Action: RELEASED, APPROVED Review Authority: boyleja

Review Comment: n/a Review Content Flags: Review Date: 23 AUG 2001

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Review History: RELEASED <23-Aug-2001 by boyleja>; APPROVED <24-Aug-2001 by boyleja>

**Review Markings:** 

Declassified/Released US Department of State EO Systematic Review 30 JUN 2005

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Secure: OPEN

Status: <DBA CORRECTED> jms 971229 Subject: TEXTILE CONTROL LEVELS

TAGS: ETRD, HK To: COME SECSTATE WASHDC

Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005